

AUTHORIZED PERSONNEL POSITIONS - BY DEPARTMENT

Appendix

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
General Government				
Full-time	189.00	185.00	190.00	197.00
Part-time	6.50	6.50	6.50	4.95
Total FTE	195.50	191.50	196.50	201.95
Police				
Full-time	585.00	585.00	586.00	589.00
Part-time	3.10	3.10	3.10	3.10
Grant	2.00	2.00	-	-
Total FTE	590.10	590.10	589.10	592.10
Financial Services				
Full-time	142.00	138.00	137.00	139.00
Part-time	2.50	2.50	2.50	4.00
Total FTE	144.50	140.50	139.50	143.00
Transportation				
Full-time	45.00	37.00	34.00	34.00
Part-time	1.35	1.35	1.35	1.35
Total FTE	46.35	38.35	35.35	35.35
Community Services				
Full-time	335.00	322.00	322.00	323.00
Part-time	170.35	173.30	173.30	178.89
Grant	10.75	10.75	10.75	11.75
Total FTE	516.10	506.05	506.05	513.64
Information Systems				
Full-time	73.00	73.00	74.00	76.00
Part-time	0.81	0.81	0.81	0.81
Total FTE	73.81	73.81	74.81	76.81
Fire *				
Part-time	2.68	2.68	2.68	2.68
Total FTE	2.68	2.68	2.68	2.68
Water Resources				
Full-time	139.00	135.00	135.00	138.00
Part-time	-	1.00	1.00	1.00
Total FTE	139.00	136.00	136.00	139.00
Municipal Services				
Full-time	210.00	213.00	212.00	216.00
Part-time	3.00	3.00	3.00	3.00
Total FTE	213.00	216.00	215.00	219.00
Citizen & Neighborhood Resources				
Full-time	35.00	32.00	33.00	34.00
Grant	-	-	-	1.00
Total FTE	35.00	32.00	33.00	35.00
Human Resources				
Full-time	33.00	32.00	32.00	34.00
Part-time	2.50	2.50	2.50	2.50
Total FTE	35.50	34.50	34.50	36.50
Economic Vitality				
Full-time	10.00	8.00	8.00	10.00
Total FTE	10.00	8.00	8.00	10.00
Planning and Development Services				
Full-time	151.00	142.00	141.00	141.00
Total FTE	151.00	142.00	141.00	141.00
Total Full-time Position FTE	1,947.00	1,902.00	1,904.00	1,931.00
Total Part-time Position FTE	192.79	196.74	196.74	202.28
Total Grant Funded Position FTE	12.75	12.75	10.75	12.75
Total Citywide Position FTE	2,152.54	2,111.49	2,111.49	2,146.03

Note:

Full-Time Equivalent (FTE) - A calculation used to convert part time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing number of hours budgeted by 2,080.

* 40 Part-time Fire Support Positions (2.68 FTE), included in the Fire Support program.

AUTHORIZED PERSONNEL POSITIONS - BY FUND

Appendix

	Proposed 2004/05	General Fund	HURF	Special Programs	Enterprise	Internal Service	Total
General Government							
Full-time	197.00	194.00	-	3.00	-	-	198.00
Part-time	4.95	2.87	-	2.08	-	-	4.95
Total FTE	201.95	196.87	-	5.08	-	-	201.95
Police							
Full-time	589.00	588.00	-	1.00	-	-	589.00
Part-time	3.10	3.10	-	-	-	-	3.10
Total FTE	592.10	591.10	-	1.00	-	-	592.10
Financial Services							
Full-time	139.00	108.00	-	-	24.00	7.00	139.00
Part-time	4.00	4.00	-	-	-	-	4.00
Total FTE	143.00	112.00	-	-	24.00	7.00	143.00
Transportation							
Full-time	34.00	-	23.00	-	11.00	-	34.00
Part-time	1.35	-	-	-	1.35	-	1.35
Total FTE	35.35	-	23.00	-	12.35	-	35.35
Community Services							
Full-time	323.00	321.00	-	2.00	-	-	323.00
Part-time	178.89	171.33	-	7.56	-	-	178.89
Grant	11.75	-	-	11.75	-	-	11.75
Total FTE	513.64	492.33	-	21.31	-	-	513.64
Information Systems							
Full-time	76.00	76.00	-	-	-	-	76.00
Part-time	0.81	0.81	-	-	-	-	0.81
Total FTE	76.81	76.81	-	-	-	-	76.81
Fire *							
Part-time	2.68	2.68	-	-	-	-	2.68
Total FTE	2.68	2.68	-	-	-	-	2.68
Water Resources							
Full-time	138.00	-	-	-	138.00	-	138.00
Part-time	1.00	-	-	-	1.00	-	1.00
Total FTE	139.00	-	-	-	139.00	-	139.00
Municipal Services							
Full-time	216.00	42.00	52.00	-	77.00	45.00	216.00
Part-time	3.00	0.75	-	-	2.25	-	3.00
Total FTE	219.00	42.75	52.00	-	79.25	45.00	219.00
Citizen & Neighborhood Resources							
Full-time	34.00	34.00	-	-	-	-	34.00
Grant	1.00	-	-	1.00	-	-	1.0
Total FTE	35.00	34.00	-	-	-	-	35.00
Human Resources							
Full-time	34.00	34.00	-	-	-	-	34.00
Part-time	2.50	2.50	-	-	-	-	2.50
Total FTE	36.50	36.50	-	-	-	-	36.50
Economic Vitality							
Full-time	10.00	10.00	-	-	-	-	10.00
Total FTE	10.00	10.00	-	-	-	-	10.00
Planning and Development Services							
Full-time	141.00	141.00	-	-	-	-	141.00
Total FTE	141.00	141.00	-	-	-	-	141.00
Total Full-time Position FTE	1,931.00	1,548.00	75.00	6.00	250.00	52.00	1,931.00
Total Part-time Position FTE	202.28	188.04	-	9.64	4.60	-	202.28
Total Grant Funded Position FTE	12.75	-	-	12.75	-	-	11.75
Total Citywide Position FTE	2,146.03	1,736.04	75.00	28.39	254.60	52.00	2,146.03

Note:

Full-Time Equivalent (FTE) - A calculation used to convert part time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing number of hours budgeted by 2,080.

* 40 Part-time Fire Support Positions (2.68 FTE), included in the Fire Support program.

CITY STAFF SUPPORT

Budget Liaisons and CIP Liaisons

Budget Liaisons and **CIP Liaisons** coordinate the budget within their respective departments. The Budget Liaison serves as the vital communication link between their City department and their Financial Services Department Budget Analyst on matters related to their specific operating budget. Budget Liaisons are responsible for coordinating information, checking to see if forms are completed properly, making sure that all necessary documentation is submitted, monitoring the internal review process to meet timelines, and serving as troubleshooters for problems throughout the budget process. The **CIP Liaisons** (identified with an asterisk) essentially serve the same role; however, their focus is on coordination capital projects and multi-year capital planning with the Financial Services Department staff. In many cases the same individual serves both roles.

General Government

Mayor and City Council Jeff Kulaga
 Office of the City Clerk Linda Lorbeer
 City Attorney & Prosecution Sue Mitrising
 City Auditor Gail Crawford
 City Court Lisa Gurtler
 City Manager's Office Jeff Kulaga
 Communications & Public Affairs Maggie Wilson
 Intergovernmental Relations Steve Olson
 WestWorld Jennifer Bowley*

Preservation Department Susan Quinet/ Bob Cafarella*

Police Department Holly Christian*/Carla Murillo

Financial Services Department Joyce Gilbride*

Transportation Department Janet Secor*

Community Services Depart. Jeanne Jones/Don Penfield*

Information Systems Department Jennifer Jensen*

Fire Department Jim Ford, Rural Metro

Water Resources Department ... Rick Gregoire/Joe Gross*

Municipal Services Department Terri Huston*

Citizen and Neigh. Resources Dept. Carrie Abts*

Human Resources Department Joe Kisler*

Economic Vitality Department Kathy Montalvo*

Planning & Dev. Services Dept. Dan VandenHam*

Capital Improvement Plan Coordination Teams

The **Capital Improvement Plan Coordination Teams** are comprised of staff from various City departments. The teams are responsible for reviewing all capital projects (construction and technology) for timing and cost considerations, compiling lifecycle costs, and preparing a preliminary capital improvement plan recommendation for review and revision by the General Managers, City Manager, Deputy/Assistant City Managers, Chief Financial Officer, Budget Director, CIP Coordinator, City Council and various boards and commissions comprised of citizens.

CIP Construction Review Team

Municipal Services Department
 Joe Gross and Alex McLaren
 Transportation Department
 Dave Meinhardt
 Financial Services Department
 Jeff Nichols
 Planning and Development Services Department
 Tim Conner
 Community Services Department
 Don Penfield
 Information Systems Department
 Rich Peterson

CIP Technology Review Team

Information Systems Department
 Jennifer Jensen
 John Krusemark
 Mark Ledbetter
 Cindy Sheldon
 Joe Stowell
 Eric Wood
 Community Services Department
 Jason Song
 Financial Services Department
 Jacob Beard
 Police Department
 Mike Morrison

LONG-TERM DEBT OUTSTANDING

Appendix

Long-Term Debt Outstanding

As of 6/30/04 through 6/30/08

	Balance at 6/30/04	Balance at 6/30/05	Balance at 6/30/06	Balance at 6/30/07	Balance at 6/30/08	Final Payment Date
General Obligation Bonds						
1993 G.O. Refunding	19,110,000	18,245,000	10,095,000	6,910,000	3,550,000	06/30/09
1993A G.O. Refunding	3,825,000	1,455,000	-	-	-	06/30/06
1997 Series H	1,235,000	-	-	-	-	06/30/05
1997 Refunding	19,770,000	19,685,000	18,780,000	15,800,000	12,685,000	06/30/14
1989 Series I (1998)	8,090,000	7,235,000	6,345,000	5,415,000	4,445,000	06/30/18
1999 A	5,500,000	4,500,000	3,450,000	2,350,000	1,200,000	06/30/09
1999	16,925,000	15,375,000	13,725,000	11,975,000	10,150,000	06/30/24
2001	28,225,000	27,200,000	26,135,000	25,030,000	23,880,000	06/30/24
2001 Refunding	46,845,000	44,115,000	42,110,000	42,040,000	41,970,000	06/30/22
2002	64,295,000	62,275,000	60,190,000	58,025,000	55,775,000	06/30/24
2002 Refunding	65,015,000	63,170,000	59,955,000	56,630,000	53,195,000	06/30/19
2003 Refunding	15,020,000	14,975,000	14,925,000	13,340,000	11,710,000	06/30/13
Future Bonds	113,400,000	108,965,000	170,670,000	197,000,000	203,805,000	06/30/28
Total G.O. Bonds	407,255,000	387,195,000	426,380,000	434,515,000	422,365,000	
Revenue Bonds						
1993 HURF Refunding	8,475,000	5,815,000	2,990,000	-	-	06/30/07
1989 Util Series B (1992)	2,660,000	2,395,000	2,115,000	1,815,000	1,495,000	06/30/12
1989 Util Series C (1994)	240,000	-	-	-	-	06/30/05
1996 Refunding	6,175,000	5,600,000	4,750,000	3,850,000	2,900,000	06/30/14
1989 Util Series D (1997)	16,550,000	15,975,000	15,350,000	14,700,000	14,025,000	06/30/22
1989 Util Series E (1998)	42,745,000	41,345,000	39,855,000	38,305,000	36,685,000	06/30/23
Total Revenue Bonds	76,845,000	71,130,000	65,060,000	58,670,000	55,105,000	
MPC Bonds						
1993 Refunding	4,170,000	-	-	-	-	06/30/05
1995 Taxable Excise - TPC	2,150,000	2,025,000	1,885,000	1,735,000	1,575,000	06/30/15
1998 Various Purpose	680,000	520,000	350,000	180,000	-	06/30/08
1995 Transfer Station	1,740,000	1,485,000	1,215,000	935,000	640,000	06/30/10
2001 Scottswater	6,625,000	5,135,000	3,545,000	1,835,000	-	06/30/08
Future Bonds	73,100,830	112,102,092	127,017,835	151,718,745	160,038,777	06/30/35
Total MPC Bonds	88,465,830	121,267,092	134,012,835	156,403,745	162,253,777	
Scottsdale Preserve Authority Bonds						
1997 Excise Tax	595,000	-	-	-	-	06/30/05
1998 Excise Tax	67,925,000	65,995,000	63,945,000	61,780,000	59,495,000	06/30/24
2001 Refunding	17,305,000	17,235,000	16,545,000	15,820,000	15,070,000	06/30/22
Total Scottsdale Preserve Authority Bonds	85,825,000	83,230,000	80,490,000	77,600,000	74,565,000	

LONG-TERM DEBT OUTSTANDING

Appendix

	Balance at 6/30/04	Balance at 6/30/05	Balance at 6/30/06	Balance at 6/30/07	Balance at 6/30/08	Final Payment Date
Contracts						
U.S. Corps of Engineers	3,240,991	3,175,633	3,106,932	3,034,716	2,958,806	2032
Dial Corporation	230,313	199,313	168,313	137,313	-	2008
U.S. Patent Office	5,130	3,080	3,080	3,080	3,080	01/29/09
Bureau of Reclamation/Westworld	1,595,000	1,540,000	1,485,000	1,430,000	1,375,000	07/29/32
Bureau of Reclamation/TPC	1,705,000	1,650,000	1,595,000	1,540,000	1,485,000	06/10/35
McDowell Sonoran Preserve	6,825,000	6,195,000	5,540,000	4,855,000	4,135,000	06/30/13
Underground Improvement District 104	112,362	98,341	84,321	70,300	56,279	06/30/13
Total Contracts Payable	13,713,796	12,861,367	11,982,646	11,070,409	10,013,165	
Special Assessment Bonds						
Existing Districts	8,754,734	6,340,000	5,505,000	4,670,000	3,835,000	01/01/13
Future Districts	-	-	-	-	-	
Total Special Assessment Bonds	8,754,734	6,340,000	5,505,000	4,670,000	3,835,000	
Total All Existing Bonds and Contracts	494,358,530	460,956,367	425,742,646	394,210,409	364,293,165	
Total All Future Bonds and Contracts	186,500,830	221,067,092	297,687,835	348,718,745	363,843,777	
TOTAL LONG-TERM DEBT OUTSTANDING	680,859,360	682,023,459	723,430,481	742,929,154	728,136,942	

GLOSSARY OF TERMS

Actual – Actual, as used in the fund summaries and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a GAAP basis, with the exception that depreciation and amortization are not budgeted and principal payments on debt in the enterprise funds are budgeted as expenses.

Adopted – Adopted, as used in the fund summaries and department and division summaries within the budget document, represents the budget as approved by the City Council.

Appropriation – An authorization made by the City Council, which permits the City to incur obligations and to expend resources.

Assessed Valuation – A government sets a valuation upon real estate or other property as a basis for levying taxes. An assessed valuation represents the appraised valuation less any exemptions.

Base Budget – Cost of continuing the existing levels of service in the current budget year.

Beginning Balance – The beginning balance is the residual non-restricted funds brought forward from the previous fiscal year (ending balance).

Bonds – Bonds are debt instruments, which require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate or according to a formula for determining the interest rate.

Bond Funds – Established to account for bond proceeds to be used only for approved bond projects.

Budget – A budget is a plan of financial operation embodying an estimate of proposed expenditures and the means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. In practice, the term budget is used in two ways. Sometimes it designates the financial plan presented for adoption and other times it designates the plan finally approved. It is usually necessary to specify whether the budget under consideration is preliminary and tentative, or whether the appropriating body has approved it.

Budget Calendar – The schedule of key dates, which a government follows in the preparation and adoption of the budget.

Budgetary Basis – Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP), with the exception that (1) encumbrances are considered to be an expenditure chargeable to appropriations; (2) no depreciation is budgeted for proprietary funds; and (3) bond principal in the enterprise funds is subject to appropriation.

Capital Outlay – Includes the purchase of land, the purchase or construction of buildings, structures, and facilities of all types, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: (1) have an estimated useful life of more than one year; (2) typically have a unit cost of \$5,000 or more; and (3) be a betterment or improvement. Replacement of a capital item is classified as a capital outlay under the same code as the original purchase. Replacement or repair parts are classified under commodities.

Capital Improvement Funds – Established to account for financial resources to be used for the acquisition or construction of major capital facilities. The City maintains several Capital Project funds to ensure legal compliance and financial management for various restricted revenues.

Capital Improvement Plan (CIP) – A capital improvement plan is a comprehensive plan that projects the capital needs of the community. Generally, it is a cyclical process that projects the needs for a set number of years. Capital improvement plans are essential to sound infrastructure and financial planning. The annual capital budget is derived from the long-term CIP.

Capital Project – Any project having assets of significant value and having a useful life of five years or more. Capital projects include the purchase of land, design, engineering and construction of buildings, and infrastructure items such as streets, bridges, drainage, street lighting, and water systems.

Commodities – Commodities are expendable items purchased through the City-approved centralized purchasing process. This classification includes supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not of a capital nature.

Community Facilities Districts (CFD) – CFDs are special purpose public improvement districts. By utilizing a variety of public funding options such as bonds, special assessments, taxes and user fees, CFDs provide a mechanism to finance public infrastructure, the operation and maintenance of public infrastructure, and enhanced municipal services in qualifying areas.

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contracts Payable – Contracts payable represents a liability reflecting amounts due on contracts of goods or services furnished to the City.

Contractual Services – Includes expenditures for services performed by firms, individuals, or other City departments. Supplies are not included in the contractual services accounts.

Cost Center – An organizational budget/operating unit within each City division or department.

Court Enhancement Fund – A fund to accumulate fees imposed by the City Court on fines, sanctions, penalties and assessments for the purpose of enhancing the technological, operational and security capabilities of the City Court.

Debt Service – Paid from the General Fund, is primarily contractual debt related to sales tax development agreements and will vary based on the actual sales tax collections at each developed site.

Debt Service Funds – Established to account for the accumulation of resources and for the payment of general long-term debt principal and interest that are not serviced by the General, Special Revenue, and Enterprise Funds. It does not include contractual obligations accounted for in the individual funds.

Department – The combination of divisions of the City headed by a general manager with a specific and unique set of goals and objectives (i.e., Police, Fire, Financial Services, Water Resources, etc.).

Division – A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Encumbrance – Includes obligations in the form of purchase orders, contracts, or other commitments. They cease to be encumbrances when paid, canceled, or when the actual liability is established.

Encumbrance Rebudgets – The balance of unliquidated purchase commitments brought forward from the previous fiscal year.

Ending Balance – The residual non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Enterprise Capital Funds – are used to account for utility rates and development fees for specific projects.

Enterprise Funds – Established to account for operations, including debt service that are financed and operated similarly to private businesses - where the intent is the service is self-sufficient, with all costs supported predominantly by user charges. The City maintains three Enterprise Funds to account for Water & Sewer, Solid Waste, and Aviation activities.

Equipment Rental – Represents fees charged to other areas of the City for the maintenance, repair, and replacement of City vehicles. The fee for these charges is returned to the fleet management internal service fund as revenue.

Estimate – Represents the original adopted budget plus any prior year open purchase orders, contingency transfers, approved changes, and anticipated year-end savings.

Excise Debt – Represents debt that is repaid by excise taxes. In this case, the excise taxes used to fund the debt service payments are a portion of the transaction privilege (sales) tax and transient occupancy tax.

Expenditures – Represents decreases in net financial resources. They include current operating expenses, which require the current or future use of net current assets, debt services, and capital outlays.

Fees – Charges for specific services.

Financial Policy – A government's directive with respect to revenues, spending, reserves, and debt management as these relate to government services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of government budgets and its funding.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Scottsdale's fiscal year is July 1 through June 30.

Five-Year Financial Plan – An estimation of revenues and expenses required by the City to operate for the next five-year period.

Forecast – A prediction of a future outcome based on known and unknown factors.

Franchise Fee – Charged to the water and sewer utility fund, is a reimbursement to the general fund for the utility's use of City streets and right-of-ways.

Fringe Benefits – Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is the government's share of costs for social security and the various pension, medical, and life insurance plans.

Full-Time Equivalent (FTE) – A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

Fund – A fiscal and accounting entity with a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance – The balance of net financial resources that are spendable or available for appropriation.

Fund Summary – A combined statement of revenues, expenditures, and changes in fund balance for the prior year's actual, adopted, estimated budgets, and the current year's adopted budgets.

GAAP Adjustments – Differences arising from the use of a basis of accounting for budgetary purposes that differs from the basis of accounting applicable when reporting on operations in conformity with Generally Accepted Accounting Principles (GAAP). For example, depreciation and amortization in Enterprise Funds are not considered expenses on the budget basis of accounting, but are considered expenses on the GAAP basis.

General Fund – Primary operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government. Included in these services are police and fire protection, parks and recreation, planning and economic development, general administration of the City, and any other activity for which a special fund has not been created.

General Long-term Debt – Represents any unmatured debt not considered to be a fund liability.

General Obligation Bonds (G.O. Bonds) – Bonds secured by the full faith and credit of the issuer. G.O. bonds issued by local units of government are secured by a pledge of the issuer's property taxing power (secondary portion). They are usually issued to pay for general capital improvements such as parks and roads.

Generally Accepted Accounting Principles (GAAP) – The uniform minimum standards and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad

guidelines of general application and detailed practices and procedures. GAAP provides standards by which to measure financial presentations.

Goal – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Grant – A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (i.e., education or drug enforcement), but it is sometimes for general purposes.

Grant Capital Funds – are used to account for the proceeds of capital grants.

Golf Course Surcharge – A \$1 per nine hole surcharge established in 1994 for all City owned golf courses. Revenue collected from this source is used for capital improvements, debt service on capital improvements, silt management, catastrophic flood funding, and support of the FBR Open golf tournament.

Highway User Fuel Tax – Gasoline tax shared with municipalities; a portion is distributed based upon the population of the City and a portion is distributed based upon the origin of the sales of the fuel. The Arizona State Constitution requires that this revenue be used solely for street and highway purposes.

Improvement Districts – Consists of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on affected property. Improvement District debt is paid for by a compulsory levy (special assessment) made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Indirect Cost Allocation – Funding transferred to the general fund from enterprise funds for specific central administrative functions, which benefit those funds (i.e., City Manager, Financial Services Department, Human Resources, Legal, etc.).

In-Lieu Property Tax – Charges to the enterprise funds, which compensates the general fund for the property tax that would have been paid if the utilities were for-profit companies.

Intergovernmental Revenues – Levied by one government but shared on a predetermined basis with another government or class of governments.

Internal Service Fund – Established to account for the financing, on a cost-reimbursement basis, of commodities or services provided by one program for the benefit of other programs within the City. The City maintains two Internal Service Funds to account for Fleet and Self-Insurance activities.

Mission – Defines the primary purpose of the City and is intended to guide all organizational decisions, policies, and activities (internal and external) on a daily basis.

Municipal Property Corporation (MPC) – A non-profit corporation established to issue bonds to fund City capital improvements projects.

Needs Assessment – The foundation for determining what City customers feel is needed. Market surveys, public hearings, and boards and commission surveys are conducted.

Objective – Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Operating Budget – The plan for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is required by law in Arizona and is a requirement of Scottsdale's City Charter.

Operating Revenue – Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance – A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Other Fiscal Activity – Refers to various trust and agency funds used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units, and other funds.

Outstanding Debt – The balance due at any given time resulting from the borrowing of money or from the purchase of goods and services.

Pay-As-You-Go Capital Improvement Projects (PAYG) – Capital projects whose funding source is derived from City revenue sources other than through the sale of voter-approved bonds.

PC Replacement Program – Established to centralize the responsibility for personal computer service and the maintenance of computer and printer inventories. Departments are assessed an annual fee based upon their inventory of PCs and printers in use. The charge is accumulated in the PC Replacement Fund and used to replace printers and desktop/laptop computers on a standard replacement schedule.

Performance Measure – Data collected to determine how effective or efficient a program is in achieving its objectives.

Personal Services – Include the salaries and wages paid to employees plus the City's contribution for fringe benefits such as retirement, social security, health, and workers' compensation insurance.

Preserve Bonds – Represent excise tax revenue bonds and G.O bonds. The bonds are special revenue obligations of the Scottsdale Preserve Authority payable solely from and secured by a 0.2% sales tax approved by City voters. The bonds are issued for the purpose of acquiring land for the McDowell Sonoran Preserve.

Program – A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the City is responsible. A program differs from a division from the standpoint that cost centers from different departments may make up a program while cost centers from the same department make up a division.

Program Budget – A budget, which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Property Tax – Based according to value of property and is used as the source of monies to pay general obligation debt (secondary property tax) and to support the general fund (primary property tax).

Primary Property Tax – Levied for the purpose of funding general government operations. Annual increases are limited to 2.0% of the previous year's maximum allowable primary property tax levy plus allowances for new construction and annexation of new property and tort litigation settlements.

Rebudget – Carryover represents encumbered and committed funds carried forward to the next fiscal year budget.

Refunding – A procedure whereby an issuer refinances an outstanding bond issue by issuing new bonds. There are generally two major reasons for refunding: (1) to reduce the issuer's interest costs or (2) to remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced. The proceeds of the new bonds are either deposited into escrow to pay the debt service on the outstanding obligations when due, or they are used to immediately retire the outstanding obligations. The new obligations are referred to as the refunding bonds and the outstanding obligations being refinanced are referred to as the refunded bonds or the prior issue.

Reserve – An account which records a portion of the fund balance which must be segregated for some future use and which is, therefore, not available for further appropriation or expenditure.

Revenue Bonds – Bonds payable from a specific source of revenue, which do not pledge the full faith, and credit of the issuer. Revenue bonds are payable from identified sources of revenue and do not affect the property tax rate. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-property tax.

Racketeered Influenced and Corrupt Organizations (RICO) Funds – Funds obtained from an anti-racketeering revolving fund maintained by either the Federal or State government as a result of asset forfeitures from criminal enterprises and are allocated to municipalities for approved non-recurring public safety expenditures.

Secondary Property Tax – Levied for the purpose of funding the principal, interest, and redemption charges on general obligation bonds of the City. The amount of this tax is determined by the annual debt service requirements on the City's general obligation bonds.

Self Insurance – The retention by an entity of a risk of loss arising out of the ownership of property or from some other cause instead of transferring that risk through the purchase of an insurance policy.

Service Levels – Describe the present services provided by a City department and/or division within the department.

Sinking Fund – An account into which a debt issuer makes periodic deposits to ensure the timely availability of sufficient monies for the payment of debt service requirements. The revenues to be deposited into the sinking fund and payments therefrom are determined by the terms of the bond contract.

Special Assessment – A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Funds – Established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains the following five Special Revenue Funds: Highway User Revenue, Preservation Privilege Tax, Transportation Privilege Tax, Special Programs, and Grants.

Street Light Improvement Districts – Formed to provide a means for properties within a district to maintain street lights within their boundaries. A street light tax is levied against the property owner to cover the cost of electrical billings received and paid by the City.

Taxes – Compulsory charges levied by a government for the purpose of financing services performed for common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

Tax Rate – The amount of tax levied for each \$100 of assessed valuation.

Transfers – The authorized exchanges of cash or other resources between funds, divisions, departments and/or capital projects.

Transportation Privilege Tax Capital Fund – Established to account solely for transportation projects.

Trend Analysis – Examines changes over time, which provides useful management information such as the City's current financial situation and its future financial capacity to sustain service levels.

Trust Funds – Established to administer resources received and held by the City as the trustee or agent for others. Use of these funds facilitates the discharge of responsibility placed upon the City by virtue of law or other similar authority.

Unreserved Fund Balance – The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

Unrestricted General Capital Fund – Established to account for transfers-in from the General Fund and for any other activity for which a special capital fund has not been created.

User Fee – The fee charged for services to the party or parties who directly benefits.